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AD/BI

30 December 1961

Ch/D/Rs

Progress Report - 1961

The Research Division came into being in 1961 as the result of action in the Department of State to eliminate all work--coordination as well as production--on the National Intelligence Survey. While other NIS responsibilities were assigned to both USIB and non-USIB organizations, the Research Division was assigned to produce all Chapter V sections (less Section 56), Sections 40 and 42, Section 60 on the non-Bloc areas, and the related sections of Chapter I. As 1961 ends, where do we stand in building the Research Division staff and in producing the NIS for which the Research Division is responsible?

Personnel

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Thanks to the good work of [REDACTED] the Research Division has 42, of a 103 T/O, on board as the year ends. Several more are expected on transfer from other Agency offices in the near future. In addition, we will shortly begin receiving on board several persons recruited from other government agencies, from academic life, and from other private work. The problem of recruitment will continue to be a major one for the Research Division if it is to meet the responsibilities laid on it. We can and will meet all Chapter I commitments with the staff we now have, for we give Chapter I production first priority. We will not, however, be able to produce at the full production schedule level until the T/O is filled, or nearly so.

We have taken on a large number of people with little or no previous acquaintance with the NIS. Moreover, many of them had little grounding in the countries on which they are now working. While I believe the quality of the people is high, and the potential correspondingly good, it means that for the remainder of this fiscal year and well into the next the Research Division will have a major in-training job to perform. We have begun to attack this problem in several ways. We have briefed everyone on the role, function, mission, and organization of the Office of Basic Intelligence, and on the NIS structure and production plan. We have briefed everyone on the tools available to them in OCR. Branch Chiefs have assigned reading programs for those needing to expand their area familiarity. We have initiated special clearances for all Division analysts. Finally, each analyst is assigned an NIS section to prepare and is having to learn his trade by the doing of it.

While our personnel needs are general and all-inclusive at this point, I would like to single out two important areas. We need a Chief for the Europe Branch, and we need more typists.

Production

The Research Division has completed and forwarded (or will forward shortly) five sections. Of these, only two--100A(16) and 30(55)M2--are being submitted as CIA sections. The others represent work done largely at State but completed and typed here. We are still feeling our way in terms of leadtimes necessary to insure the section is submitted in the scheduled month, in terms of review procedures, and in terms of coordination with Publication Division and others. I believe our progress in this area is good and that we will begin shortly to meet our deadlines on a regular basis.

I would like to mention the quality of support the Research Division is getting from the Publication Division. [REDACTED]

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[REDACTED] have been very cooperative in working on our common problems. With the advice and assistance of [REDACTED] we utilize the Xerox process for the reproduction of all manuscripts for submission. This enables more rapid preparation by the typist in the Research Division, who has only to type directly on bond sheets of paper and has no stencils to cut. The process itself is fast and on occasion reproduced manuscripts have been returned in one or two days. Having the Graphic Support Branch in with the Research Division has given us the opportunity to work closely with [REDACTED] in developing effective procedures and good graphics for Research Division contributions.

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We have not yet had much in the way of routine working contacts with the Editorial and Regional Divisions. These will come as more Research Division manuscripts are produced and forwarded for review. However, analysts from the Research Division have been consulting with the Chapter Editors and others in Ch. I, Ch. V, and Ch. VI, as problems in preparation are encountered. I believe the basis exists for a constructive relationship between writer and reviewer and will work toward realizing that relationship in the months to come. I believe we should consider some program whereby Editorial and Regional persons could be detailed to the Research Division from time to time. This would give them broader knowledge of the production process and the producer's problems. It would, moreover, afford a stimulating change in the daily pace. To make such a program feasible, the Research Division would furnish a replacement in Editorial or Regional, thus achieving much the same goals for the Research person. If it were well understood by the persons involved that the assignments were temporary and that they would return to their parent division, I believe that there would be interest in such a program.

Summary

In short, the situation at the close of 1961 looks good: almost 50% of the Research Division staff is on board and more are expected shortly. Everyone on board has an assignment and is working toward its accomplishment. Production is underway, some sections have been submitted already, and many more will be forthcoming in the next six months.

With the beginning of the new year, we will be concentrating on completing those sections now assigned, on reviewing and revising the production schedule and forecast, and on increasing the area knowledge and performance ability of every person in the Research Division. I hope that the close of 1962 will find us at full strength, meeting our production commitments with sections of high quality submitted on time. At least, that is our goal.

25X1A ^{Signed}


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July 1962

DD/I Organization: Outline and Principle

1. The DCI's Roles: A review of the DD/I organization properly begins with the DCI's responsibilities, for the DD/I's functions derive from the DCI's various roles. I have summarized the DCI's responsibilities as I have seen them in practice and not as they might be deduced and phrased from a legal or statutory point of view. I have no intention of examining the rationale of the DCI's roles. I do not mean to imply that the roles as listed are or should be of equal weight and complexity in their effect on the DD/I, but merely that all of them, and possibly others or indeed a fuller statement of those I list here, should be borne in mind in reviewing the DD/I's organization.

- a) Substantive intelligence officer to the President.
- b) Coordinator of the Government's efforts in foreign intelligence.
- c) Clandestine collector and covert operator.

I list the role of substantive intelligence officer to the President first for obvious reasons. It is the end for which the DCI's role as coordinator is justified as means and it is the end which to serve is the DD/I's primary function. The role of coordinator covers a host of things--policy, security, critical communications, etc.--and may well take the greater part of the DCI's time--making it the more important that the greater part of DD/I time go to this primary substantive function.

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But each role has had its effect on the DD/I organization, whether clearly and understandably so or not.

2. The Reorganization of 1951; Jurisdiction over Research: My own knowledge of how the DD/I organization evolved is of course limited. There is one bit of history, however, which is pertinent to this review, viz., the reorganization of 1951. It was what we now call the DD/I that was reorganized. As far as I know, the theory governing the reorganization has never been officially challenged, though of necessity DD/I practice has departed from it in certain ways.

3. The issue at the time of the reorganization, as I recall it, was not the DCI's role or roles,¹ but the way in which he was using the DD/I function to support him, or the way in which the DD/I function was using the DCI's role to usurp the prerogatives and functions of the departmental divisions of intelligence. The reorganization focused on the creation of an Office of National Estimates. The critical point underlying the reorganization, however, was that of jurisdiction over the base of research, because on this base rested the authority of the estimates and judgments in which intelligence made its final contribution to policy. As the senior intelligence officer and coordinator the DCI

*is justified
the legal or
operational
authority of
Dept. of
Estimates*

¹It is my recollection that General Smith, as DCI, took the role of Covert operator. OPC was dangling between State and Defense but with an administrative cord to CIA, and General Smith did not like the ambiguity. This matter had nothing to do with the reorganization I refer to, but had extraordinary implications for the future of the Agency.

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was to rely on the departments in their fields of primary interest (i.e., their fields of operational responsibility). National intelligence, the DCI's responsibility under law, was defined as National Intelligence Estimates and National Intelligence Surveys. The departments contributed in writing according to departmental responsibility for research. Fields of research and services which did not clearly fall within one department or which, for whatever reason (including budgetary), could best be worked centrally were to be assigned by agreement as "services of common concern," e.g., economic intelligence on the Bloc.¹

Without belaboring the theory, which was obvious, I want to make the following comments, not as historical notes but as relevant to this review.

a) There was no practicable definition of national intelligence except that produced in the form and manner of the NIE and the NIS. That is, national intelligence had to be institutionalized, put under control and organization. The necessity for such was clear, as was the gain. The cost lay in a certain loss of flexibility and responsiveness.

b) Beyond National Intelligence as defined there was the DCI's warning function. The Watch Committee was reconstituted and placed under military chairmanship as a subcommittee reporting through the IAC

¹It is illustrative that the defunct ORE, reduced to a holding office for employees not selected by ONE and not placed in DD/P, tried and failed to persuade William Jackson and William Langer of their need for a CIA research office in support of estimates. But ORE had nothing to offer because the plain-text problem was no longer under ORE, though still in CIA. One of the conditions which contributed to ORR's establishment as the community's office of research in Bloc economic intelligence was State's lack of funds to work the plain-text. In fact State had already bowed out to CIA.

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to the Director. It was only by representing CIA on the Watch Committee that the Office of Current Intelligence played any official part in the Community's system, and it did that as a DCI staff function. The only field for which the CIA representative had official responsibility was economic intelligence on the Bloc. The clearest example of the relation between a CIA service of common concern and a department of primary interest was furnished by the State member, whose principal contribution was his reading of the [REDACTED]

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c) Current intelligence was by definition excluded from the category of national intelligence. It was left to the DCI, as to each principal, according to his own needs. Hence current intelligence was the only substantive function for which the DCI looked primarily to his own staff and not to the community. It was not controversial because it had no authority in any of the fields. By definition it did no research. The only controversy attendant on the formation of the Office of Current Intelligence concerned the number of analysts required to man the "hot-flue" on an all-source basis. William Jackson thought 35 to 40 quite enough; William Langer supported OCI in its request for more. The point at issue was of course research. William Jackson was determined that OCI not violate the system by becoming another ORE "up the back stairs."¹

¹I should explain that I did not believe in current intelligence divorced from research and analysis any more than William Jackson believed in estimates divorced from research and analysis. Because of the difference in tempo between the two it was my position that OCI should have the capability of doing research in self-protection and guidance, even though it did not publish.

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has operated ever since neither involved nor implied any departmental conspiracy to deprive the DCI of an independent judgment. It was the justification of the system, naturally, that the DCI should receive the best judgment; it was the concern of the system that the DCI give departmental intelligence judgments the fullest consideration before he delivered himself of any judgment to the President.

4. From the above I draw the following practical principles:

a) That given the "community" and the organization of the U.S. Government, there is no point in decrying the system.

b) That given the system, there must be an institutionalization of intelligence in forms such as NIE, CIB,* and NIS. (There is the problem of making them as responsive as possible within their limits, and the problem of assuring the capability of responding when time and the nature of ^{the} question throw the response outside those limits.)

c) That the DD/I is not fighting or destroying the system in arranging his analysts to best advantage for meeting his responsibilities to the DCI, provided he is content to—and can—subordinate the results of his research to his primary function and not publish it as a service of common concern in areas not allocated to him by the USIB. In this fashion the DD/I protects the system itself by maintaining a substantive independence in the DCI.

5. Review of DD/I responsibilities and organization.

a) In support of the DCI as substantive intelligence officer to the President.

* This is a special case. It is institutionalized in form only - and then to a limited degree only. The impetus for such institutionalization as it now has come from the system - from the community of the President's Board of Advisors in

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I take this responsibility^{as} defined by practice, including responses by the DCI to requests received because he is the President's intelligence officer, viz., briefings of Congressmen and members of the President's immediate staff and cabinet. This responsibility is met in part by the institutionalized forms of estimates, Watch Committee, and current intelligence, but as often as not requires special answers to particular questions, without regard to categories or forms. The responses must be responsive and presuppose a broad base of knowledge and a high degree of flexibility in using it. To this end, the DD/I has ONE, ORR, OSI, and OCI. *(in part - plus lots of press circulation)*

b) In support of the DCI as Coordinator of the Government's intelligence effort; Chairman of USIB.

In theory of course function (b) is in support of function (a). There may have been some semblance of recognition of this relation in the history of the various staffs (at one time an Assistant Director) which were subordinated to the DD/I function for purposes of coordination in the community. But the coordination involved was, I believe, usually concerned with the production of intelligence and did not extend into the other aspects of the DCI's role as Coordinator of the intelligence effort as a whole. In the one area where one might expect DD/I support of the DCI as Coordinator, viz., in the realm of requirements and the evaluation of results of collection, I am not aware of any comprehensive staff support. But I admit the entire realm is obscure to me. There are the PNIO's, but from there on I don't know what all. There are many requirement officers and many committees on requirements. A major obstacle is security.

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By direction, in the theory of the system, the DD/I is responsible for certain services of common concern. If ORR and OSI were originally justified under this heading, I except them in large part, along with ONE and OCI. There remain, however, a strange assortment of offices and mixture of functions.

1) OBI and the NIS. For years the NIS has been the archetypal drudge of the system, bearing the delinquency of the departments in meeting their commitments and the final defection of State. It is a substantive service of common concern. But it is probably not of direct use to the DD/I in support of his primary function. Two things are worth noting, however, which result from State's defection: one, CIA now has a kind of USIB charter to do research in non-Bloc economic intelligence, thus completing CIA's charter in economic intelligence, and in political intelligence world wide; two, State has also passed into CIA's hands a channel into the non-USIB departments for research. The two things are potentially very important, particularly the first for obvious reasons. But the second may prove more significant than it now seems.

11) OCR, as I recall, was originally intended to be a far-ranging service of common concern. It was to establish a uniform coding and filing system for a central repository of classified information, and a clearing house for requirements and the receipt of new information. It is now, I assume, a costly approximation: partial services of common concern, services to the Agency as a whole, including the DD/P and the DD/S, and a library. OCR could perfectly well serve DD/I under DD/S.

but, sacred cow & white elephant

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iii) OO is a straightforward, clear cut service of STATSPEC

common concern to the entire Government and the public. It combines two collection services which have nothing in common with each other and no valid reason for being under the DD/I. [REDACTED] however, has in

[REDACTED] an extremely valuable function which can serve his primary function.

iv) NPIC is a processing and "read-out" center for a collection operation. It is important but difficult to classify and fit despite the fact that it has figured frequently in direct support of the DCI as the President's intelligence officer, both operational and substantive. It is called a service of common concern. It is subject to or victim of the faults which afflict any office for processing sensitive information requiring specialists. NSA was a case in point and may still be. Everything must be done to make the information available to the responsible analysts, who are commonly the victims of false security. This kind of thing happens so frequently in intelligence as to illustrate a law, a very bad law.

v) Comment: It is apparent that the DD/I carries a heavy administrative burden of common services which are at the expense of his primary function. It is granted that the DD/I must carry a burden of common service because the DCI does, but the question remains: how much and at what cost to the primary function? It is a question concerning the proper distribution of burden among deputies to the DCI. Perhaps there should be another Deputy Director for common services.

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c) In support of the DCI as clandestine collector and covert operator:

Here the DCI's role is a kind of counterpart to his role in substantive intelligence. In both roles he is responsible for coordination and evaluation, and, in addition, for services of common concern. In collection he is directly responsible for one kind of collection (service of common concern), in operations for one type, and each is subject to the requirements of the departments (or White House), such that he must coordinate his own particular kind of activity with the operating departments of the Government.

It is sometimes difficult to determine the relation between the DCI's substantive and operational roles, in particular that of mutual responsibility—for what, at what level, and in what way. DD/I responsibility to the DD/P (and the DCI) is obscure in the area of support to operations and critique of plans and operations. These are two quite different things in practice. It has been customary for the DD/I desks to give intelligence support on an informal basis, but to my knowledge there has never been any system, informal or formal, for giving the DD/P (or DCI) a critique of plans before or during operation.¹ This is a matter of importance in the case of operations

¹I am not aware that the DD/I has ever prepared an intelligence annex for a DD/P plan. In the case of the U-2 I know of one occasion, mid-way in the period of the operation, when a highly restricted estimate was done on the possible political consequences of the operation under various assumptions, but I believe that estimate was done at the request of the President, or in answer to a question by the President.

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the failure or exposure of which can have major repercussions. I am not reopening the past except to ask a question and to say that the answer must be intelligible to an impartial observer, and yet realistic in practice. It is not enough, for example, to say that the DD/I had no official cognizance of the Cuban operation and therefore had no responsibility. Such a relation makes no sense. It may be bureaucratically correct, but it makes nonsense of the triangular relations between the DCI, his deputy for plans, and his deputy for intelligence. There was no use in the DD/I's doing current intelligence and writing estimates on Cuba for the President and his advisers without direct reference to the real, practical questions. The result is that DD/I intelligence furnishes a kind of holding cover for an operation without knowing what it is covering.

As far as I know, the relation between the DD/I and the DD/P has never been clearly defined, or if it has been the definition is not a matter of general knowledge in the Agency. In consequence, I assume that the responsibility of the DD/I in support of the DCI as covert operator (and clandestine collector) is unclear. Instead of definition, there is a kind of general understanding.¹

¹It developed historically, like a common law, and may have its origins in the irritating curiosity of the pundit, the security of the operator, their mutual dislike each of the other's function, etc., as well as in the inherent difficulties. There is also the effect of the system. At the time of the reorganization of 1951, OCI was enjoined from continuing the ORE practice of providing evaluations of [] reports. It was a duplication or usurpation of the agencies and departments having primary interest in the reports. [] was a service of common concern to the departments and was to take its guidance from them. Likewise in the case of OPC. Its relations were with the departments which it served as an auxiliary.

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It may be that the DD/I, the DD/P and the DCI have never wanted the relation to be clearly defined, understood, and committed to a routine or schedule. There are reasons for keeping the relation on the basis of convenience and need of the DD/P. On the one hand, there is the matter of the DD/P's security; on the other DD/I's limited resources and the imperative to preserve an objective mind. There is no practicable system which can satisfy the conditions. It may be that DD/I and DD/P do not belong under the same Director and that to make the DD/I the DD/P's G-2 is to violate the DCI's function as the President's G-2, undermining the principle which justified the DCI's establishment, viz., that the President have intelligence evaluations and estimates not committed in operations and therefore having a chance at remaining emotionally detached and objective in relation to the operational departments. Yet the fact remains that the DCI is the covert operator (and clandestine collector), and, on occasion, the President's Own.

With reference to collection, one may argue that science has obviated another U-2 incident. As and when the USSR shoots down or interdicts a reconnaissance vehicle, there will be no political repercussions because it is public knowledge that the capability exists and taken for granted that it is used.

One may argue that the present way of meeting insurgency obviates another Cuba, because CIA has been replaced by the Special Forces and the Joint Staff as the executor of policy in the Cold War.

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The War is now "surfaced" and the ante raised in a way not heretofore the case. The U.S. has officially adopted South Viet Nam and assumed direct responsibility for its internal security. But, however subordinate the DCI's role in operations, he is bound to be among those blamed in a defeat, if only because of his role as coordinator of collection, collector, and substantive intelligence officer to the President.

The responsibility of the DD/I to the DCI in the realm now referred to as counter-insurgency intelligence is clear up to a point. There are the estimates and current reporting which identify, analyze, and anticipate political instabilities and potential insurgencies. But the responsibility is clear because it is at the level of the DCI as substantive intelligence officer to the President. And the DD/P, General Harkins,—all are beneficiaries.¹

¹One can easily argue that not enough is done at this level. Where is the estimate in answer to this question on South Viet Nam: given current trends and past experience with Communist led and supplied insurgencies in Indo-China, what is the chance that the President will be faced with the decision to commit U. S. units to battle in order to maintain South Viet Namese security? (Senator Mansfield has raised the question.) One could note how dated are the estimates on the eight countries added to the counter-insurgency list by the CI Special Group and how conspicuous [REDACTED] is by being the only one of the eight for which an estimate is scheduled by the NIE institution during the next period. With reference to the Cold War Weekly, what is a planner to think when a given country keeps going off the list and then coming back on the next time it gets into the New York Times? This is not sarcasm, but an illustration of one difficulty, among many, which results from the practical necessity of saying something without really having much to say. One thing that can be done and may be helpful is to put more into research on the country.

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It remains to say something about intelligence support of counter insurgency planning and operations. Admittedly recognition and identification extend through the various stages of planning and operations to the point of war, and, backed by research, current reporting and estimates should carry the burden of responsibility in relation to the White House and the CI Special Group, whether in regular institutional forms or in special reports. The research which should support current reporting and estimates should also respond to the lower levels of planning and operations. At this point one reaches the divide between intelligence support and operational intelligence, using the latter term to mean the intelligence function which ^{shares} bears a direct responsibility for the success or failure of the operation.

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A direct responsibility for success or failure of an operation should not be accepted or implied if the DD/I does not have full knowledge of the plans and actions at the working level. I believe it is a mistake in principle for the DD/I to back into an operation by providing what is called "operational intelligence support" when the analysts involved are not privy to the plans and intentions in as much detail as the operators themselves. It is dangerous in practice because it leads to a commitment of responsibility without requisite knowledge and authority.

6. Present trends in the DD/I result from two widely different developments affecting the organization.

a) The first comes from the new administration's invigoration of the diverging but complementary arms of policy toward the Communist

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power: negotiation and efforts to bring danger under control (including disarmament, arms control, and test bans) on the one hand, and on the other renewed and determined effort to maintain and increase a favorable balance of power in all fields, down to the last of the new nations--by willingness to assume responsibility for internal security and to engage in local warfare. Because the new administration is more articulate, more sophisticated, and means to be more enterprising if not more daring than the old and because it seems to grasp the issues of power more readily as a whole, there is a need for a comparable treatment by intelligence (analysis and synthesis) of the Communist power in its confrontation with the West, each with its own besetting difficulties of internal organization. We feel the impact in a variety of ways, from the call for yonder estimates of the Soviet military power down to the details of political instability and insurgency in strange and obscure places of the earth.

The general response is to expand the base of research and analysis, but there is no consistent pattern in the particular responses when put together. ORR is perforce moving to cover economic intelligence world wide: Bloc, Common Market, and the world in-between. At the same time it is moving independently (not a word of censure) to meet the need in military estimates and worrying about intelligence in support of disarmament. OSI will probably move similarly, but without the burden of the underdeveloped countries. I associate OBI's Research Division with these responses, not only because State's defection was, I assume, part of State's reaction to the new administration--in an

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effort to make all of its work responsive to policy and action,—but also because OBI is being drawn into counter-insurgency and is at work on pertinent NIS sections, guided by the CI Special Group's priority list of countries. Within two years OBI plans to issue Chapters I on all of the countries not now covered in the Afro-Asian, Latin American areas. Meanwhile, OCI remains the political office world wide and non-bloc economic office for most practical purposes, in varying combinations with ONE staff and ORR. All things to all people, OCI (Sino-Soviet Studies Group) is trying to fill the gap on Soviet Military doctrine while keeping research going in fundamental political problems of the Bloc. ~~The overlap is on the non-Communist world.~~ And in counter-insurgency OCI prepared and maintains the Cuban handbook for the Task Force and does comprehensive daily and weekly reporting on Cuba for the Task Force. In short, the responses will lead to increasing overlap and confusion, I think.

b) The second development is the proliferation of security barriers and codewords in the train of successful and valuable collection. The result is always so absurd, so contrary to common sense and reason, so prejudicial and harmful to the true interest of security as well as intelligence, that I refrain from further comment. In the proposal which follows I take it for granted that security will be the auxiliary and not the tyrant.

7. A proposal for the rearrangement of DD/I analysts in partial rationalization of the organization for support of the DCI in his role as substantive intelligence officer to the President:

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a) The institutional forms of intelligence as quasi-staff functions: (By "quasi-staff", I mean delegated authority over form and content but without administrative command over the supporting analysts in the base of research and analysis.)

- i) Estimates
- ii) Current intelligence
- iii) National Intelligence Surveys

Comment: The question of how many generalists and specialists are required for such quasi-staff functions is one I cannot try to answer at this point, but it is probable that fewer would be needed than are now employed in the offices concerned. Much hinges on how the relation between the staff and the supporting divisions or offices is defined and on the definition in practice which follows thereafter.

In listing the NIS as a staff function I wish to point out that the staff should do more than publish reference works and handbooks. That is, an NIS staff should aim at flexibility and responsiveness comparable to that of the Estimates and Current staffs though in keeping with the scale of its respective institution. It would be reasonable to expect an NIS staff to function as the DD/I Research staff, monitoring and reviewing programs of research, both internal and external. In the past, as is now apparent, the NIS staff may have been too rigidly devoted to one outline and have been frozen in one form of response to one standard military request.

b) The supporting base of Research and Analysis (with regard to regions and functions but without regard to names of offices or divisions.)

1) Because a regional instead of a functional approach is better suited to problems of underdeveloped countries and areas, because influence in these countries and areas is at issue between the systems of great power (militarily, economically, and politically), and because it is essential that the attitudes, factions, forces and conditions of these countries be represented in their own right: I believe it advisable to establish a regional office or division of research and analysis covering Latin America, Africa, and non-Communist Asia, without regard to present alliances and including the only highly industrialized country I can think of in these areas, viz., Japan. As directed or requested, this office would assist ONE in the preparation of estimates and related memoranda, would support Current Intelligence, and would prepare handbooks or sections of the NIS. Because of its scope and the nature of the area covered, it would be the DD/I's office of research and analysis for counter-insurgency and insurgency.

The most difficult problem here would be to define the precise working relation of such an office to the Office of Current Intelligence. It would or should not be difficult to define its relations with ORR and OSI, or with ONE and the NIS. One would have to consider

whether the Geographic Research Area of ORR belonged in whole or in part with the regional office. The new International Division of ORR would be relieved of responsibility for the underdeveloped country. The question of "impact" to which the International Division addresses itself would have to be a joint affair, but one in which the Regional Office would have a slight edge by virtue of its responsibility for the country itself. That is, questions of jurisdiction would tend to be settled in favor of the Regional Office. This could be difficult, particularly in relation to estimates, but not as difficult as the relation of the regional office to OCI, and on occasion, the relation of the regional office and ORR, in tandem or parallel, to OCI. It would not be an impossible situation, however. ORR's CSS staff is an interesting case history in the preparation of current intelligence by a research office, and there is an established practice in OCI of generalists rewriting submissions of analysts for transmittal to the White House.

11) Because a functional approach is necessary for highly developed powers, I would not change the present economic and scientific effort on the Bloc (and anyway it would be an unnecessary violation of the system.)

But I would consider completing the functional approach. First, the military. There is no satisfactory way of overcoming the jurisdictional problem between research and development and production and deployment of weapons systems as wholes without combining the two and putting them under one chief, in order that they can be studied as systems in the way in which policy and planning now treat them. In thinking about the DD/I's problem in relation to DIA and the Pentagon, I conclude that the present situation cannot be compared with that of the past. At the level at which DD/I is concerned with the problem it is so much an integral part of national policy as to be inseparable from economic and political policy. One does have to be careful about names, but what one has to be more careful about is restricting the ways and forms in which the results of research and analysis are expressed, and confining them to support of the DD/I's primary function. I doubt that strategic intelligence, to cite one possible name, would arouse any more concern in the Pentagon than do the separate efforts of OSI and ORR. It would be a union of the scientific and economic approach to objects already accepted as under study in the Agency. A part of such an office would be the study of military doctrine, again something we are already doing in a limited way.

Second, the political. This is the keystone of the functional arch because it concerns itself with major decisions of power and the conditions and persons affecting or effecting them. I am bothered for a name, but I believe such an office should be and could be established, drawing together those who now concern themselves with political developments in the Bloc, internal and external. Though such an office would have to accept some constraint on publishing, the constraint would be less than that at present because of the license which comes with the NIS.

It will probably be argued that^d political office is added for sake of consistency and not because it will bring about any real improvement of the present use of analysts. The political analysts of the Bloc are to be found only in OCI, ONE, and OO. To set up another unit could be unfortunate, and I admit that this suggestion offers more apparent difficulties than the others. But it is also obvious that there is research which needs doing. At this stage all would depend on how many **STATSPEC** analysts OCI and ONE (possibly OO, though [REDACTED] would be very opposed, I think) could contribute to a political office, and again, on how one defined the precise relationship to OCI.

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to a difference in kind, viz., operational intelligence in the full sense of a G-2. It is probably tending in that direction, by implication, but without a G-2's authority.) The rearrangement, however, would strengthen the DD/I support of the DCI in his role as member of the President's CI Special Group, where the DCI should function as substantive intelligence officer to the President. (I doubt that he does, however, judging from the fact that his staff support for this committee comes from the [REDACTED] The CI Special Group's list of countries was drawn up by State (Mr. Johnson). 25X1A

c) The proposed rearrangement would aim at uniting research and substantive responsibility for countries in the zone of counter-insurgency as now understood. Assignments to a given country could be made without regard to the conventional military kind of T/O. As a country became critical the country unit would be the de facto as well as de jure task force.

d) A note on personnel: I should be surprised if there are not enough competent senior analysts on the DD/I side to man the principal jobs in such an arrangement. I know there are competent regional specialists in OCI who are frequently put in general duty assignments, in part because there is not enough for them to do in current intelligence on their special ties and because research is not encouraged.

9. What can be done?

If the proposed rearrangement is reasonable, but cannot be put into effect, what adjustments can be made to approximate its ends?

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EYES ONLY

What are the practicable compromises?

a) I except the military problem, and see no valid reason why an office to deal with it should not be formed.

Rich Bush says no -

b) I see many obstacles blocking a regional office. The present substitute—or reality—for a regional office is OCI. Before letting OBI's Research Division develop independently, one should consider transferring OBI/RD to OCI and merging it with OCI's country desks. This would create an ORE in effect, minus economic and scientific intelligence and military intelligence on the Bloc. There are disadvantages, but there are also certain advantages. The disadvantage would lie in the tendency of current intelligence to undermine and cut off research. Current intelligence is omnivorous and can absorb manpower excessively. The excitement of anticipating the morrow—and the importance of it—naturally turns the mind from the dull ways of research. The advantage is that such research as can be done in the atmosphere of current intelligence will tend to be more responsive to the real needs—if sometimes late and after the fact.

All things considered, however, it may well be less confusing to begin by a transfer of OBI/RD to OCI. OBI would return to a staff function. The OCI divisions would become research divisions and current intelligence divisions. They would have to work out internal arrangements for handling the interaction and relation between research, estimates, and current intelligence, (including counter-insurgency). The present

EYES ONLY

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EYES ONLY

OCI desks have certain substantive advantages of continuity and experience in handling all sorts of demands—from country handbooks to NSC briefings. They are a versatile lot and include some of the more sophisticated intelligence officers on the DD/I side. And they need more depth—or help in assembling and bringing to bear the depth many of them already have in their files and experience. The merger would have the further advantage of common country files instead of the dispersion which will grow with a separate Research Division in OBI. The major external adjustments would be more or less confined to relations with the International Division of ORR. (I might note here that I believe [REDACTED] would oppose the expansion of OCI in this way to meet the problem. He would tend to favor a separate regional office.)

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Under the compromise one could still keep open the possibility of a later move to establish a regional office and to complete the rearrangement proposed as reasonable. One would lift the current intelligence out and make it a quasi-staff function, adjusting the rest of the organization to the proposed rearrangement or to a better one which experience may indicate. If one adopts the compromise, the expansion of OCI, one should make the assignments with a roster at hand of all DD/I analysts, including the ONE staff.

10. The question of a DD/I Research Staff.

a) If the rearrangement proposed as reasonable is adopted, there is no need for a DD/I Research Staff. Counter-insurgency would

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be done in the Regional Office, military doctrine in the functional Strategic (military) office, and the various aspects and conditions of Communist objectives and tactics in the functional political office.

b) If the compromise is adopted, pro tem or for the duration, the question of a DD/I Research Staff need not arise if political research can be done in OCI's Sino-Soviet Area, as political and economic research would have to be done in OCI's Afro-Asian and Western areas. To do it properly, however, with the emphasis and strength it warrants, would mean making it the center and not an appendage of the area. It would mean putting some one in charge, e.g., the chief, EE Staff, ONE, who commands respect, who knows what is needed in support of estimates, and who might well continue to write them. Short of this, I would recommend a DD/I Staff for research in Communist doctrine and practice, at least until a political office can be established or other arrangement made.

It is not necessary to emphasize the importance of continuing and expanding the work of the Sino-Soviet Studies Group. I am personally persuaded that, properly pointed toward the simple yet paradoxical and complex political conditions and issues facing the Communist power and drawn through the foci of strategic military and economic issues, more light will come from this kind of work than from any other one effort of comparable size. Bear in mind the few who have been doing this work thus far, and the significance of their results in Sino-Soviet relations alone. It is elementary that this kind of research is vital to an intelligence organization.

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9 August 1962

MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT : Proposed Steps in Dealing with
the OBI Problem

Suggested Procedure:

1. DD/I make the decision known to OBI;
2. Appoint a committee whose tasks will be:
 - a. Survey OCI staffing requirements for the new function, and
 - b. Recommend to the DD/I appropriate allocations of OBI personnel to posts within OCI and elsewhere in the DD/I;
3. Committee to include Chairman, [REDACTED]
Members, R. J. Smith, [REDACTED]

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19/
R. J. SMITH
Assistant Director
Current Intelligence

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